



THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re patent application of

Koichi Hatakeyama

Serial No.: 09/824,034

Filed: April 3, 2001

For: ONLINE DISTRIBUTION SYSTEM AND METHOD

Appeal No.:

Confirmation No.: 8743

Group Art Unit: 3625

Examiner: N. Rosen

Commissioner for Patents
PO Box 1450
Alexandria, Virginia 22313-1450

APPELLANT'S BRIEF UNDER 37 C.F.R. §41.37

This brief, which is filed herewith in triplicate, is in furtherance of the Notice of Appeal, filed in this case on October 14, 2005. A Petition for a One-Month Extension of time to extend the period for filing this Appeal Brief to January 14, 2006, is concurrently filed herewith. A check in the amount of \$620.00 is attached to cover the fee for filing this Appeal Brief and the concurrently filed Petition for a One-month Extension of Time.

This brief contains these items under the following headings, and in the order set forth below (37 C.F.R. §41.37(c)):

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I. REAL PARTY IN INTEREST

The real party in interest in the appeal is:

☐ the party named in the caption of this brief.

☒ the following party:

NEC Corporation of Japan

II. RELATED APPEALS AND INTERFERENCES

With respect to other appeals, interferences or judicial proceedings that will directly affect, or be directly affected by, or have a bearing on the Board's decision in this appeal:

☒ there are no related appeals, interferences or judicial proceedings related to, which directly affect or may be directly affected by or have a bearing on the Board's decision in this pending Appeal.

☐ these are as follows:

III. STATUS OF CLAIMS

The status of the claims in this application are:

A. Total number of claims in Application

Claims in the application are: 1 and 2 (two claims).

B. Status of all the claims:

1. Claims cancelled: Claims 3 - 7.
2. Claims withdrawn from consideration but not cancelled: None.
3. Claims pending: Claims 1 and 2.
4. Claims allowed: None.
5. Claims rejected: Claims 1 and 2.

C. Claims on Appeal.

The claims on appeal are: Claims 1 and 2.

IV. STATUS OF AMENDMENTS

The status of amendments filed subsequent to the final rejection are as follows: No amendments have been filed subsequent to the final action from which this Appeal is taken. The most recent amendment was filed April 22, 2005, concurrently with the filing of a Request for Continued Examination, and has been entered.

V. SUMMARY OF CLAIMED SUBJECT MATTER

The invention as defined in the claims on appeal is directed to an online system for distribution of information such as music, movies or games and the like in which a user can search for particular material of interest and order a copy of the desired material. The material is then downloaded to a download terminal 14, recorded on a storage medium and delivered to the user at the location of the download terminal such as a shop which may be a self-service shop where the download terminal may have the capability of settlement of the transaction. It should be appreciated that the use of a download terminal 14 is preferred to economically enable use of a private communication link 21, distinct from network 20, to provide increased transmission speed and/or reduced error rate while avoiding traffic burdens of network 20 since it is contemplated that the files to be downloaded may be very large.

The invention, as claimed, is directed to the problem of the amount of time the user might occupy the download terminal 14 because searching for the desired material (e.g. by title) is performed from the download terminal which reduces the number of users which can be served by the download terminal and increases the cost of each transaction, particularly if the searching is performed over a dedicated, private communication link 21, as is preferred for communication of distribution data. To address this problem, the invention provides for searching to be performed from a personal terminal 10 connected (e.g. through a network 20 such as the Internet) to a search server 11 which is managed by a data center including distribution server 12 (see page 8, line 5 - 15). When a user selects, by title, desired material from the personal terminal 10, the search server 11 stores subscription information in association with identification information (such as a member number and password) for the user. After such selection by the user and storage of subscription information with identification information, the user can obtain the desired material stored on a

storage medium at download terminal 14 by simply inputting the user's identification information from the download terminal 14. The identification information is accessible, for example, from the search server 11, possibly through the distribution server 12, which returns the associated stored subscription information identifying the desired material selected by the user and that information is then transmitted to the download terminal 14. This further transmission of subscription information allows use of a perfecting feature of accessing a cache memory 13 (preferably local to the download terminal 14 - see page 10, lines 6 - 13) for faster access to material which is in greater demand without the necessity of tracking data which may be maintained in cache memory 13 associated with each respective download terminal 14 from the data center or distribution server 12. The download terminal thus acquires the desired material from either cache memory 13 or distribution server 12 and records it on a storage medium to be delivered to the user. As a further perfecting feature of the invention, recited in dependent claim 2, the download terminal 14 may be provided with the capability of settling the transaction with the user and thus function as a self-service shop (see page 10, lines 23+). Thus no searching at all need be performed from the download terminal 14 and even the data input to the download terminal 14 by the user can be limited to only the user's identification information (e.g. member number and password) since the subscription information indicating a selection by the user is input from the personal terminal and retrieved from storage at the search server based on the identification information. Thus the entire time of a transaction by a single user may be as short as the time required for the input of the user identification information, the downloading of the selected material, possibly accelerated by use of cache memory 13, and the time required for storage of the selected material on a storage medium.

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

Claims 1 and 2 stand rejected under 35 U.S.C. §103 as being unpatentable over Oakley (Published Canadian Patent Application 2,225,190) “in view of official notice”. This is the sole ground of rejection of record in this application and to be reviewed on Appeal.

ARGUMENT VIIA. REJECTIONS UNDER 35 U.S.C. §112, FIRST PARAGRAPH

There are no rejections under 35 U.S.C. §112, first paragraph.

ARGUMENT VIIB. REJECTIONS UNDER 35 U.S.C. §112, SECOND PARAGRAPH

There are no rejections under 35 U.S.C. §112, second paragraph.

ARGUMENT VIIC. REJECTIONS UNDER 35 U.S.C. §102

There are no rejections under 35 U.S.C. §102.

ARGUMENT VIID. REJECTIONS UNDER 35 U.S.C. §103

Prior art applied by the Examiner

Oakley - Published Canadian Patent Application 2,225,190

Oakley is directed to a system, preferably implemented with a plurality of “managers” for different functions which can be implemented on special purpose processors (e.g. page 6, line 20+), for allowing music selection, downloading the selected music from one or more repositories and local storage on a recording medium at an end-point which may be public kiosk (page 5, line 17) which is preferably provided in “clusters” to insure availability to customers (page 8, lines 8 - 12) or a consumer electronic device (see page 6, line 10). Oakley also provides for local storage of music (e.g. at or in association with a particular public kiosk). If music is obtained from a larger repository rather than local storage, high speed network links such as satellite links or optical fiber links are provided (page 6, lines 1 - 2). Oakley further provides a user-friendly user interface which may include a keyboard or touch screen at the end-point/public kiosk for facilitating searching for desired material which may be classified in numerous ways (see page 9, lines 2 - 4) and also provides advice to the user based, for example, on prior selections or associations with prior selections and/or information about the user (maintained for the duration of the session only - see page 9, lines 5 - 7). Oakley further includes a brief discussion of a Unified Payment Manager (page 18, lines 6 - 15) which evidently verifies credit cards for use in settlement of transactions.

It should also be noted that at page 10, lines 7 - 14, Oakley mentions the possibility, as a matter of user convenience, of conducting searches “off-line” using an internet web site, storing a pre-chosen list of selections and confirming selections at the system end-point for recording on a storage medium. This function is again briefly mentioned at page 17, lines 18 - 23, in regard to storage and tracking selection lists made from either an end-point or the web site at the repository using the “loyalty

manager” (client side and server side, respectively) portions thereof (see page 13, lines 18 - 26). That is, the (pre-chosen) track lists are apparently stored at the loyalty manager (client side) in the download terminal and tracked at the loyalty manager (server side) in the repository for purposes of ensuring availability. However, no suggestion, much less any enabling disclosure of how such a function could be achieved, such as communications between system elements and/or system architecture, is disclosed or suggested in Oakley and this passage appears to be simply a statement of a desirable function.

Official Notice

In the statement of the rejection, the Examiner is relying on official notice as prior art. Specifically, the Examiner takes official notice “that it is well known to connect Internet Web Sites, and thus to the servers on which they are available, through the servers of ISP’s, LAN’s, WAN’s or other business, etc. servers”. The Examiner also takes official notice “that it is well known to identify and search for musical and other works by their titles”.

The Examiner’s Application of the Prior Art

In applying Oakley to the subject matter recited in the claims, the Examiner asserts that Oakley discloses an online distribution system including a search server (citing page 5, lines 16 - 30 and page 10, lines 7 - 14), a data distribution server (citing page 2, line 27 through page 3, line 13) and a download terminal (citing page 5, lines 16 - 30). The Examiner then proceeds to make a series of admissions of claimed subject matter which Oakley does not teach or suggest; dismissing each recited distinction as inherent or by taking official notice. The Examiner apparently has done so in view of the suggestion of a potentially desirable function without enabling disclosure or even any suggestion of how that function could be achieved at

page 10, lines 7 - 14, of Oakley, as alluded to above. The Examiner then concludes the statement of the rejection by correctly observing that Oakley discloses a distribution server, a download terminal and a cache server but the discussion of claimed particulars thereof assumes a teaching of a search server in Oakley.

The Examiner first admits that Oakley does not disclose or suggest use of a personal terminal which the Examiner asserts is “inherent, as necessary to access the Internet Web Site” (apparently a reference to the passages of page 10 and 17 noted above). Second, the Examiner admits that Oakley does not disclose that the download server is connected to the search server through the data distribution server but takes official notice, as noted above, essentially that any needed connection can be made between web sites and the servers through which they are available. Third, the Examiner asserts that Oakley discloses that the search server inherently includes a database for storing a plurality of songs or other works but admits that Oakley does not disclose that the search server includes title search means and again takes official notice that searches by title are well known. The Examiner does not cite any portion of Oakley as disclosing subscription and identification information but reasons that the ability to recall pre-chosen track lists (again, apparently a reference to page 10, lines 7 - 14 of Oakley) implies storage of such information and concludes that storage at the search server would be obvious in order to perform searches based on titles. The Examiner further asserts that Oakley discloses a data distribution server and a download terminal capable of acquiring identification information, first and second readout means for reading out identification information and subscription information and reading out corresponding distribution information, respectively, and recording means. The Examiner also asserts that Oakley discloses a cache memory. In regard to claim 2, the Examiner relies upon page 2, line 27 through page 3, line 2, of Oakley for a teaching of settlement means. The Examiner responds to previously presented arguments with what is essentially a long-discredited “lack of invention” rationale.

Argument

Initially, it is respectfully submitted that Oakley is precisely the type of system over which the invention provides an improvement. Specifically, in Oakley, searching generally must be preformed through an “end-point” (generally corresponding to the download terminal of the present invention) although a suggestion for searching through a website is suggested but not enabled at page 10, lines 7 - 14, as noted above, and, further, Oakley does not recognize or acknowledge the problem addressed by the invention and provides no suggestion of reducing the time the user must spend using that end-point in conducting a search, much less how such a reduction could be achieved. Each distinctive feature of the invention which supports the meritorious function of the invention in reducing user time at an end-point by substantially eliminating search time at an end-point has been dismissed as inherent or deemed obvious in view of official notice taken by the Examiner. At the same time, many of the Examiner’s conclusions are not logically supported, give little or no consideration or weight to salient, explicit recitations of the claims and/or evidence confusion on the part of the Examiner regarding both Oakley and the claimed invention.

Specifically (and most basically), Appellant does not concede that Oakley teaches or suggests anything remotely similar to the recited search server, particularly as separate from the recited download terminal or which includes:

- a.) “a database for storing a plurality of titles of distribution information”,
- b.) “title search means for searching the titles stored in said database for a title designated for subscription from said personal terminal”, and
- c.) “subscription information storage means for storing the title searched out by said title search means and identification information transmitted from said personal terminal”

particularly in combination with a download terminal which includes

“first readout means for reading out, based on the identification information acquired by said identification information acquisition means, the title *stored in said subscription information storage means of said search server* which corresponds to the identification information” (emphasis added).

Apparently, in Oakley, only the “List Synchronizer” contains “a list of available tracks (not the tracks themselves)” (see page 14, line 11+) and then not in correspondence with particular user identification information. Moreover, page 5, lines 16 - 30, on which the Examiner relies for disclosure of a search server discuss only functions of the end-point/public kiosk and the repository but are devoid of any discussion of anything remotely corresponding to a search server as defined in claim 1. Even the passage on page 10, lines 7 - 14, discloses nothing any more specific than an “Internet Web Site” which “will allow potential customers to browse and search the repertoire, listen to sound bites from tracks and save their selections. The following sentence may imply some connection to the distribution server or end-point of Oakley but does not give any indication of what that connection should be even to the extent of how to connect an Internet Web Site to the end-point or distribution server/repository which preferably uses an independent communication link, whereas claim 1 recites ““first readout means for reading out, based on the identification information acquired by said identification information acquisition means, the title *stored in said subscription information storage means of said search server* which corresponds to the identification information” (emphasis added), as pointed out above. Further, the Examiner confuses some functions of the data distribution server of the invention (and Oakley) with the search server of the invention in observing that “Oakley discloses (by inherency) that said search server includes a database for storing a plurality of songs or other works for *distribution information*” (page 3, line

13+ of the final rejection - emphasis added).

Additionally, in this regard, the Examiner admits that Oakley does not disclose a personal terminal or any element remotely corresponding thereto but asserts that inclusion of a personal terminal would be “inherent, as necessary to access *the* Internet Web Site” (emphasis added). This conclusion or inherency is logically flawed since 1.) use of the Internet is not *required* by the system of Oakley and is apparently not even preferred in view of the stated preference for satellite and optical fiber links with the possible exception of the *suggestion of* allowing “off-line choosing” in the above-noted passage of page 10 for which enablement or even a suggestion of how it might be accomplished is not provided, 2.) the end-point of Oakley is intended to provide all the access to the distribution server/repository that is necessary or, for that matter, desirable for operation of Oakley as a commercial enterprise, and 3.) Oakley provides a suggestion of “off-line choosing” apparently as a convenience for users and not to solve any particular problem by providing such a facility in any particular way, as in the invention, as claimed. A holding of inherency in regard to a claimed feature requires that subject matter answering the explicitly recited feature *necessarily and unavoidably flow* from the subject matter disclosed in the reference. In this case, the inclusion of a personal terminal is not necessary to the operation of Oakley in the intended manner and thus the inclusion of a personal terminal cannot be regarded as inherent and may be undesirable in some respects such as complicating the interaction of the end-point and the repository and/or local storage or complicate the settlement process as well as require selection confirmation from the end-point and, more importantly, no enabling disclosure providing *evidence* of a level of ordinary skill in the art sufficient to implement such a modification in a manner which would avoid a problem which Oakley does not even recognize or acknowledge. The Examiner cannot avoid such an impropriety by improperly suggesting inherency which would then constitute an *additional* level of impropriety.

Under the penumbra of the Examiner's admission that Oakley does not disclose a personal terminal, the Examiner tacitly subsumes the fact that Oakley does not disclose how the communication stored at an Internet Web site may be communicated to the end-point or the repository. In regard to this clear deficiency of Oakley, the Examiner takes official notice that it is well-known "to interconnect Internet Web Sites, and thus to the servers on which they are available". This taking of official notice may be correctly taken as to this particular stated fact. However, it is respectfully submitted that the communication link between the end-point and the repository is not necessarily Internet connected and it is not so notoriously well-known as to justify omission of evidence "to have the download terminal be connected to the search server through the distribution server" (e.g. the recited first readout means) as the Examiner concludes. The taking of official notice is respectfully submitted to be improper at least as being indefinite in scope and since the scope of the official notice, to the extent that it could, arguably, be proper, does not support the conclusion which the Examiner draws from it, particularly in view of the assumption that the end-point and or the repository of Oakley is internet connected in regard to the interaction thereof or the particular manner in which that connection is made as recited in regard to the first read out means or that the "Internet Web Site" of Oakley answers the particular recitations of claim 1 in regard to the "search server" included in the combination. The particular *combination* of the recited properties of the search server and the first read out means provides a solution for a problem (the time required for conducting a search using a download terminal) that Oakley does not recognize or acknowledge and it is well-established that "[t]he mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification" (See *In re Gordon*, 221 USPQ 1125 (Fed. Circ., 1984) at 1127). That is, the Examiner's suggestion of modification by providing a *particular cooperation*

between claimed elements in view of official notice that *various connections* might be possible is improper absent a suggestion *in the prior art* of the elements recited including both the personal terminal, a search server answering the claimed recitations therefor and the first read out means of the download server for reading out data from the search server, the particular cooperation recited and the motivation for providing such a particular cooperation, particularly in view of the broadly taken official notice that *various connections* might be possible but in the absence of even any guidelines *in the prior art* in regard to how to achieve any particular function from any particular manner of connection, much less the particular function of the invention to solve a particular problem not recognized in the prior art. Simply put, Oakley does not lead to any expectation of success in providing any significant reduction in down load terminal time required by a user and, in fact, teaches away from the solution provided by the invention in providing, at presumably substantial expense, “clusters” of end-points to improve likelihood of availability to users and thus cannot provide evidence of obviousness of a modification based on unsupported conclusions clearly derived through hindsight layered upon an overly broad and indefinite taking of official notice which would be improper if taken as to the conclusion reached and asserted by the Examiner. Therefore, it is respectfully submitted that the Examiner has also failed to make a *prima facie* demonstration of obviousness of any claim particularly through a clear and compelling line of reasoning (which, as asserted in the final rejection, amounts to no more than an unsupported assertion that since *various connections* between *various elements could be made* but without guidance in regard to deriving any additional functionality by so doing that any *particular* connection between *particular* elements to derive a *particular* function solving a *particular* problem while facilitating cooperation between other elements, such as between the download terminal and cache and/or distribution server, would be obvious). 35 U.S.C. §103 does not reduce the specificity

with which the prior art or the level of ordinary skill in the art must answer the claim recitations, as compared with 35 U.S.C. §102, but merely permits reliance on additional evidence to determine the level of ordinary skill for purpose of determining whether or not particular recitations within a recited combination *taken as a whole* would be obvious. Here, the Examiner has merely made broad assertions of inherency and taken official notice broadly in a manner which do not support the conclusions asserted or are improper as applied to the asserted conclusions, themselves and, in any case, a *prima facie* demonstration of obviousness of the admitted differences between the invention as claimed and the combined teachings or suggestions (which are not enabling in Oakley) and the subject matter considered to be inherent or of which official notice has been broadly taken has not been made by a clear and convincing line of reasoning but only unsupported conclusions asserted.

Summary and Conclusion

In view of the foregoing, it is clear and often admittedly so that Oakley does not answer the recitations of at least a personal terminal, a search server including the elements recited or a download terminal including a first read out means for reading data from a search server, as recited in claim 1, or the particular cooperation between elements in and between the download terminal and the search server. The Examiner has evidently recognized the insufficiency of the non-enabling teachings and suggestions of Oakley (including passages at page 10, lines 7 - 14 and page 17, lines 18 - 23) to answer the claimed subject matter and has improperly asserted inherency and taken official notice which either is so broadly taken as to fail to support the Examiner's conclusions or is improperly taken as to the conclusions asserted and which, in any case, do not answer the explicit recitations of the claims. Therefore, it is respectfully submitted that the ground of rejection of claims 1 and 2 based on Oakley and official notice is in error and untenable and reversal of the Examiner as to

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this sole ground of rejection is respectfully requested.

ARGUMENT VIII. REJECTION OTHER THAN 35 U.S.C. §§102, 103 AND 112

There are no rejections under other than 35 U.S.C. §103 based on Oakley and official notice, discussed above.

VIII. CLAIMS APPENDIX

The text of the claims involved in the appeal is as follows:

1. An online distribution system, comprising:

a search server;

a data distribution server;

a download terminal connected to said search server through said data distribution server;

a personal terminal to which said search server is connectable;

said search server including a database for storing a plurality of titles of distribution information, title search means for searching the titles stored in said database for a title designated for subscription from said personal terminal, and subscription information storage means for storing the title searched out by said title search means and identification information transmitted from said personal terminal;

said data distribution server including distribution information storage means for storing the distribution information;

said download terminal including identification information acquisition means for acquiring identification information inputted from the outside, first readout means for reading out, based on the identification information acquired by said identification information acquisition means, the title stored in said subscription information storage means of said search server which corresponds to the identification information, second readout means for reading out the distribution information corresponding to the title read out by said first readout means from said distribution information storage means of said data distribution server, and recording means for recording the distribution information read out by said second readout means onto a recording medium; and a cache server in which part of the distribution information stored in said distribution information storage means of said data distribution server is stored in advance, and wherein said download terminal acquires, when the distribution

information of the title corresponding to the identification information stored in said subscription information storage means of said search server is stored in said cache server, the distribution information from said cache server, but acquires, when the distribution information is not stored in said cache server, the distribution information from said distribution information storage means of said data distribution server.

2. An online distribution system as claimed in claim 1, wherein said download terminal further includes settlement means for performing a settlement in regard to the transmission of the distribution information for said personal terminal.

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IX. EVIDENCE APPENDIX

None

X. RELATED PROCEEDINGS APPENDIX

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Marshall M. Curtis", with a stylized flourish at the end.

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